

Ministry of Defence
[Acquisition Wing Secretariat]

Subject: Amendment to Defence Procurement Procedure (DPP) - 2013.

The following existing para of DPP-2013 is amended as indicated below:--

Para No./ Page No.	For	Read
5.10 Chapter- I/46	For 'Buy (Global)' category procurements, if an Indian firm including a Joint Venture between an Indian Company and its foreign partner is bidding for the proposal, the clause relating to offset obligation will not be applicable if the indigenous content in the product is 50 percent or more (by value). In case the indigenous content in the product is less than 50 percent, the Indian firm or the Joint Venture has to ensure that offset obligations are fulfilled on the foreign exchange component of the contracted value. In case the indigenous content is less than 50 percent, the Indian firm or Joint Venture shall submit an undertaking to fulfil the offset obligation along with the main technical bid. Failure to submit the undertaking at that stage shall render the bid non-responsive and liable to be rejected. The undertaking shall be furnished as per format at Annexure-I to Appendix-D. Indigenous content (by value) will be determined on the basis of exchange rates prevailing on the last date for submission of the main technical bid.	For 'Buy (Global)' category procurements, if an Indian firm including a Joint Venture between an Indian Company and its foreign partner is bidding for the proposal, the clause relating to offset obligation will not be applicable if the indigenous content in the product is 30% or more (by value). In case the indigenous content in the product is less than 30 percent, the Indian firm or the Joint Venture has to ensure that offset obligations are fulfilled to the tune of '30% - (minus) Indigenous content percentage' (indigenous content is to declared upfront at the time of submission of bid).
Annexure-I/52	(Refer to Para 5.10 and 7.1)	(Refers to Para 7.1)

92/DCG/2015
15.12.15

2. This amendment shall come into effect immediately.
3. All concerned authorities may kindly note for information and compliance.


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Director (Acq)
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To

CISC VCOAS VCNS VCAS DG(CG)

All Joint Secretaries/Additional FAs /Finance Managers/Technical Managers/ DGWE/
ACAS(Plans)/ACNS(P&P)/Directors/Deputy Secretaries.

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